10/05/04

Express Mail No. EV 366599985 US

AF/3624

PATENT

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re Application of:	KAWAN, Joseph C., et al.
Application No.	09/276,823
Filed:	March 26, 1999
For:	**SYSTEM, METHOD AND APPARATUS FOR VALUE EXCHANGE UTILIZING VALUE-STORING APPLICATIONS**
Group Art Unit:	3624
Examiner:	Bashore, A

APPEAL BRIEF

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P.O. Box 1450
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Sir:

This is an Appeal Brief under 37 C.F.R. § 41.37 in connection with decision of the Examiner mailed on November 4, 2003. Each of the topics required by § 41.37 is presented herewith and is labeled appropriately.

(1) Real Party In Interest

The real party in interest is Citicorp Development Center, Inc. (formerly Transaction Technology, Inc.).

(2) Related Appeals And Interferences

There are no other appeals or interferences related to this case.

(3) Status Of Claims

Claims 1 and 3-48 are pending and all have been rejected.

Claim 2 has been cancelled.

No claims have been allowed.

Claims 1 and 3-48 are hereby appealed.

(4) Status of Amendments

There are no amendments after final rejection.

(5) Summary of Claimed Subject Matter

Independent claim 1 proposes a system for performing a financial transaction that includes, for example, a first electronic application for storing application-specific value on a transaction card, a second electronic application for storing general value on the transaction card, and a transaction application associated with at least the first electronic application for performing a value exchange. In addition, independent claim 1 proposes that the application-specific value and general value are each exchangeable between each other in the transaction application, and further that the application-specific value and the general value are each compatible within the system for performing the financial transaction. See, e.g., Spec. p. 4, lines 18-28; p. 5, lines 5-7; and p. 12, lines 1-7.

Independent claim 18 proposes a smart card for performing a financial transaction including, for example, a first application for storing application-specific value on the smart card and a second application for storing general value on said smart card. In addition, independent claim 18 proposes that the application-specific value and the general value are each compatible for performing the financial transaction, and further that the application-specific value and said general value are each exchangeable between each other. See, e.g., Spec. p. 4, lines 18-28; p. 5, lines 5-7; and p. 12, lines 1-7.

Independent claim 25 proposes a method for performing a financial transaction with a smart card in which, for example, application-specific value is stored in a first electronic application on the smart card, general value is stored in a second electronic application on the smart card, and a value exchange is performed that is associated

with the financial transaction, in which the application-specific value and the general value are each exchangeable between each other. See, e.g., Spec. p. 5, lines 14-21; and p. 12, lines 1-7.

Independent claim 37 proposes a method for performing a financial transaction for exchanging an amount of value between a smart card and a corresponding device in which, for example, application-specific value and general value are provided on the smart card, both of which are compatible for use in performing the financial transaction, and each of which are exchangeable between each other. Independent claim 37 proposes further that a transaction amount of value is exchanged between the smart card and the corresponding device, and that the transaction amount of value is at least a portion of one of the application-specific value and the general value. See, e.g., Spec. p. 5, lines 14-21; and p. 12, lines 1-7.

Independent claim 45 proposes a system for performing a financial transaction that includes, for example, a smart card with a memory for storing a first application having application-specific value and a second application having general value and a purchase device for removing value from the smart card. In addition, independent claim 45 proposes that the application-specific value and the general value are compatible for performing the financial transaction, and further that the application-specific value and the general value are each exchangeable between each other and are secured by encryption on the smart card. Independent claim 45 also proposes that the purchase device includes a first purchase key for use in removing application-specific value from said the application and a second purchase key for use in removing general value from the second application, that both keys are security mechanisms for accessing encrypted information, and that the purchase device is adapted for communication with the smart card to transfer at least one of the application-specific value and the general value in the financial transaction. See, e.g., Spec. p. 5, lines 14-21; p. 6. lines 1-13; and p. 12, lines 1-7.

The term "general value" is defined to include, for example, value that is generally equivalent to cash in that the general value is readily accepted in a plurality of financial transactions, and the term "application-specific value" is defined to include, for example, value that has limited acceptance, typically only for transactions associated with a specific application loaded onto the smart card. General value may be accessed by a specific application program and converted into application-specific value, and similarly, application-specific value may be able to be converted to general value. See, e.g., Spec. p. 7, lines 19-25.

(6) Grounds of Rejection to be Reviewed on Appeal

a) Claims 1, 3-35, 37-42, and 44-48 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over Carlisle et al. (U.S. 5,649,118), in view of Derksen (U.S. 5,478,993), in view of Gungl et al. (U.S. Pat. No. 5,912,453), and in further view of Electronic Payment Systems.

b) Claims 36 and 43 stand rejected under 35 U.S.C. 103(a) as being unpatentable over Carlisle et al. (U.S. 5,649,118), in view of Derksen (U.S. 5,478,993), in view of Gungl et al. (U.S. Pat. No. 5,912,453), and view of Electronic Payment Systems, and in further view of Taskett (U.S. 5,991,748).

(7) Argument

The Combination of Carlisle et al., Derksen, Gungl et al., and Electronic Payment Systems to Reject Claims 1, 3-35, 37-42, and 44-48 Is Improper

Regarding independent claims 1, 18, 25, 37, and 45, the Examiner considers that Carlisle teaches each and every claimed element, except: (a) application-specific value stored in the first application on the smart card, in addition to the general value stored in the second application on the smart card, that are both compatible within the system for performing a transaction, which the Examiner considers to be inherent in the claimed transaction system because it performs transactions; (b) general value that

is stored in a second electronic application on the smart card, in addition to the application-specific value stored in the first electronic application on the smart card, which the Examiner considers to be taught by Derksen and Gungl; (c) exchanging a transaction amount of value that is at least a portion of the application-specific value or the general value between the smart card and the corresponding device, which the Examiner considers to be taught by Derksen and Gungl; and (d) storing the application-specific value and the general value on the smart card which are each exchangeable with one another in a transaction, which the Examiner considers to be taught by Derksen, Gungl, and Electronic Payment Systems.

Carlisle discloses a smart card storing multiple accounts, such as Visa, MasterCard, Discover, ATM, food stamps, welfare, and unemployment accounts, and a look-up table that identifies the particular purchases that can be charged to a particular one of the accounts (e.g., non-food items cannot be charged to the food stamp account). As bar-coded items are scanned at a merchant POS terminal, the POS terminal refers to the look-up table to see which account to charge for each purchase. If the table indicates that a particular purchase can be charged to more than one account, the terminal charges a particular account or accounts according to a priority algorithm, or if the table does not provide an account for a particular purchase, the terminal again charges a particular account or accounts according to a priority algorithm, or manually via a keyboard selection. See, e.g., Carlisle, Col. 1, line-Col. 2, line 67; and Col. 22, line 31-Col. 24, line 18.

As already noted, the terms "general value" and "application-specific value", as recited in each of independent claims 1, 18, 27, 37, and 45, are defined terms meaning, respectively, value that is generally equivalent to cash in that the general value is readily accepted in a plurality of financial transactions and value that has limited acceptance, typically only for transactions associated with a specific application program and converted into application-specific value. As conceded by the Examiner, Carlisle neither teaches nor suggests general value that is stored in a second electronic application on the smart card, in addition to the application-specific

value stored in the first electronic application on the smart card, as recited in claims 1, 18, 27, 37, and 45.

Moreover, Carlisle teaches away from having both a first application with application-specific value and a second application with general value on the smart card, as recited in claims 1, 18, 27, 37, and 45. As noted, Carlisle discloses multiple applications 1109, 1110, ..., 1111 having multiple accounts A, B, ..., n and those accounts may be implemented by application-specific values such as Visa, MasterCard, Discover, ATM networks, food stamp programs, etc. See, e.g., Carlisle, Col. 2, lines 21-30; Col. 19, line 35-Col. 20. line 23. The smart card of Carlisle et al. is equipped with "smart card memory for storing a plurality of data files." See, e.g., Carlisle, Col. 2, lines 21-22. Associated with each data file is an "account identifier for uniquely specifying a given account with an account balance and at least one item table identifier." See, e.g., Carlisle, Col. 2, lines 24-26.

Thus, each account of each data file has a table listing items that such account can be used to purchase. Further, according to Carlisle, if an item identifier of an item presented at a POS terminal does not correspond to any of the items in the item table of each of the accounts A, B, ..., n, the cost of the item is retrieved from the cost table and added to a residual account which includes the costs of all items having item identifiers obtained by the item identification device which do not correspond to any of the items in the item table." See, e.g., Carlisle, Col. 2, lines 52-58. Thus, it is clear that each of the multiple applications shown in Fig. 11 of Carlisle et al. stores only application-specific value (i.e., a value for transaction of those particular items allowed and listed in an item table of each application).

Further, it is clear that the electrical purse, residual account, savings account, or checking account of Carlisle store only application-specific value. With regard to the residual account, Carlisle clearly states, as mentioned above, that such account stores only value ***specific*** for the transaction of those particular items that are rejected by the accounts A, B, ..., n of the multiple applications. See, e.g., Carlisle, Col. 19,

lines 35-39 and 49-52 and Col. 20, lines 42-57. Thus, it is clear that the residual account stores only an application-specific value. With regard to the electronic purse, savings account, and checking account, those accounts are used as accounts A, B, ..., n. See, e.g., Carlisle, Col. 13, lines 14-Col. 15, line 58; Col. 21, lines 50-56. Consequently, it is clear that the electronic purse, the saving account, and the checking account are all used to store only ***application-specific*** value for transaction of those particular items allowed and listed in an item table of each application. Accordingly, the multiple applications and their multiple accounts of Carlisle et al., be they Visa accounts, MasterCard accounts, electronic purses, residual accounts, savings accounts, checking accounts, etc., store only application-specific values, and not both application-specific and general values.

Derksen and Gungl fail to remedy the deficiencies of Carlisle. On the contrary, Carlisle, Derksen and Gungl, either separately or in combination with one another, neither teach nor suggest storing both general value application-specific value on the smart card, as recited in claims 1, 18, 27, 37, and 45. On the contrary, Derksen teaches a card storing different value limits in two or more "separate money compartments" which can each be used only at certain designated "payment sites" pursuant to certain "payment site arrangements." The "payment sites" include one to pay for services, including "public transport, tolls, and admission tickets," another that is likewise used for such payments and can also be reloaded, and still another that is also used for such payments, as well as "eating in certain restaurants" and can also establish on line contact with a verification agency for authentication and correction or reloading the card from an account of the card holder or debiting the card holder's account. See, e.g., Derksen, Col. 2, lines 35-37; Col. 4, lines 25-31; Col. 6, lines 47-50; and Col. 7, lines 9-25.

Consequently, it is likewise clear that the "separate money compartments" of Derksen which can be used only at certain designated "payment sites" pursuant to certain "payment site arrangements" are only ***application-specific*** value for transactions at only those certain designated "payment sites" pursuant to those certain

"payment site arrangements". Accordingly, the "separate money compartments" of Derksen store only application-specific values and not general values, and it is also self-apparent that the "separate money compartments" of Derksen do not store both application-specific and general values.

Further, Gungl, teaches away from storing both application-specific and general values on a transaction card, as recited in claims 1, 18, 25, 37, and 45. Specifically, Gungl, teaches a chip card whereby "application programs which are stored on the chip card do not have access to each other." See, e.g. Gungl, Col. 3, lines 20-22 (emphasis added). Although there is language in Gungl about "communication" that may occur between independent units on a chip "when required" via a "control unit" (See, e.g. Gungl, Col. 3, lines 35-44), there is no suggestion in Gungl that application-specific value and general value are being exchanged. There is also language in the Background section of Gungl at Col. 2, lines 26-56 about prior art chip cards known as "multifunction or multifunctional chip cards," that are susceptible to an operator of an application program because he may "move feely" on the chip card. Neither does this language in Gungl teach or suggest storing both an application-specific value and a general value on a transaction card, as recited in claims 1, 18, 25, 37, and 45.

Electronic Payment Systems fails to remedy the deficiencies of Carlisle, Derksen, and Gungl. On the contrary, Carlisle, Derksen, Gungl, and Electronic Payment Systems, either separately or in combination with one another, neither teach nor suggest storing both general value application-specific value on the smart card which are each exchangeable with one another in a transaction, as recited in claims 1, 18, 27, 37, and 45. Section 7.2.8 of Electronic Payment Systems, relied on by the Examiner, recites:

> Another proposed extension is to allow customers to convert unspent tickets back to real money. This would be done by sending the ticket to the vendor, who would pay the remaining account balance to the user using an existing macropayment system. A system in which any user

> can accept payments, such as an electronic cash system will have to be used for this purpose. Credit card systems cannot do this. The cost of the macropayment transaction may have to be covered by the merchant charging a fee for the service.

It is noted that the context of the particular section of Electronic Payment Systems relates to "a simple micropayment protocol designed for efficient pay-per-view payments on the Internet" that "works by creating temporary prepaid accounts for users at a specific vendor." See, e.g., Electronic Payment Systems, Section 7.2. Further, an "unspent ticket" referred to in Section 7.2.8 of Electronic Payment Systems is simply "a special account identifier used to authenticate the account owner to the account maintained at the vendor site in order to make a micropayment purchase" that "is valid only at one particular merchant."

Electronic Payment Systems likewise teaches away from storing both general value and application-specific value on the smart card which are each exchangeable with one another in a transaction, as recited in claims 1, 18, 27, 37, and 45, in that the "unspent ticket" is only ***application-specific*** value prepaid to an online merchant that "is valid only at one particular merchant." Moreover, refund of the unspent balance of the prepaid value by the merchant to the account owner in "[a] system in which any user can accept payments, such as an electronic cost system" which "[c]redit cards cannot do" has absolutely nothing to do with storing both general value application-specific value on the smart card which are each exchangeable with one another in a transaction, as recited in claims 1, 18, 27, 37, and 45.

Consequently, Carlisle, Derksen, Gungl, and Electronic Payment Systems, either alone or in combination with one another, do not disclose, nor even suggest, at least the required combinations of limitations proposing that both application-specific value and general value are stored on the transaction card and that the application-specific value and general value are each exchangeable with one another in a transaction, as recited in claims 1, 18, 25, 37, and 45. Nor do Carlisle, Derksen, Gungl, and Electronic Payment Systems, either alone or in combination with one

another, disclose or suggest, at least the required combinations of limitations proposing that both application-specific value and general value are stored on the transaction card and that each is compatible within the system for performing a transaction, as recited in claims 1, 18, 37, and 45.

Because the cited references, either alone or in combination, do not teach the limitations of independent claims 1, 18, 25, 37, and 45, the Examiner has failed to establish the required *prima facie* case of unpatentability. See In re Royka, 490 F.2d 981, 985 (C.C.P.A., 1974) (holding that a *prima facie* case of obviousness requires the references to teach all of the limitations of the rejected claim); See also MPEP §2143.03. Similarly, the Examiner has failed to establish a *prima facie* case of unpatentability for claims 3-16 that depend on claim 1, claims 19-24 that depend on claim 18, claims 26-36 that depend on claim 25, claims 38-44 that depend on claim 37, and/or claims 46-48 that depend on claim 45, and which recite further specific elements that have no reasonable correspondence to the references.

The Combination of Carlisle et al., Derksen, Gungl et al., Electronic Payment Systems, and Taskett to Reject Claims 36 and 43 Is Improper

As noted above, because Carlisle, Derksen, Gungl, and Electronic Payment Systems, either alone or in combination, do not teach the limitations of independent claims 25 and 37, the Examiner has failed to establish the required *prima facie* case of unpatentability of independent claims 25 and 37, and similarly has failed to establish a *prima facie* case of unpatentability for claim 36 that depends on claim 1 and claim 43 that depends on claim 37, and which recite further specific elements that have no reasonable correspondence to the references.

Claim 36 depending on independent claim 25 proposes that, in addition to storing both the application-specific value and the general value which are each exchangeable between each other in the financial transaction, all of the application-specific value is exchanged in a transaction, new application-specific value is

automatically loaded, at least a portion of which is exchanged to complete the financial transaction. Claim 43 proposes that, in addition to storing both the application-specific value and the general value which are both compatible for use in a transaction and are each exchangeable between each other in the financial transaction, a predetermined amount of application-specific value is added to the smart card if a sufficient amount of the application-specific value does not exist which exchanging a transaction amount of value that is at least a portion of the application-specific value or the general value.

Taskett does not remedy the deficiencies of Carlisle, Derksen, Gungl, and Electronic Payment Systems. On the contrary, Traskett teaches a prepaid phone card having application-specific value (specific for making phone calls) and a prepaid instrument, credit or debit card that can be transferred to the phone card to replenish its account balance. However, while funds from the prepaid instrument, credit or debit card may be exchangeable in the sense of transferring value in and out, the prepaid phone card with its application-specific value is not exchangeable because it can only receive and convert funds from the prepaid instrument, credit or debit card into value specific for the application of making phone calls, whereas it cannot convert the specific value for phone charges back into funds for the prepaid instrument, credit or debit card.

Consequently, Carlisle, Derksen, Gungl, Electronic Payment Systems, and/or Traskett, either alone or in combination with one another, do not disclose, nor even suggest the required combinations of limitations proposing that all of the application-specific value stored on the smart card and exchangeable with the general value also stored in the smart card is exchanged in a transaction, new application-specific value is automatically loaded, at least a portion of which is exchanged to complete the financial transaction, as recited in claim 36. Nor do Carlisle, Derksen, Gungl, Electronic Payment Systems, and/or Traskett, either alone or in combination with one another disclose or suggest the required combinations of limitations proposing that a predetermined amount of application-specific value is added to the smart card if a

sufficient amount of the application-specific value does not exist when exchanging a transaction amount of value that is at least a portion of the application-specific value or the general value both stored on the smart card and exchangeable between each other in the financial transaction, as recited in claim 43.

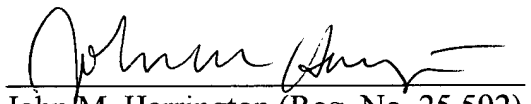
Because the cited references, either alone or in combination, do not teach the limitations of claims 36 or 43, the Examiner has failed to establish the required *prima facie* case of unpatentability. See In re Royka, 490 F.2d 981, 985 (C.C.P.A., 1974) (holding that a *prima facie* case of obviousness requires the references to teach all of the limitations of the rejected claim); See also MPEP §2143.03.

(9) Conclusion

For at least the reasons given above, the rejections of claims 1 and 3-48 are improper. Applicant respectfully requests the final rejection by the Examiner be reversed and claims 1 and 3-48 be allowed. Attached below is an Appendix of claims 1 and 3-48 for ease of reference.

Respectfully submitted,

Date: 10/4/04

By: 

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CLAIMS APPENDIX

1. A system for performing a financial transaction, comprising:

a first electronic application for storing application-specific value on a transaction card;

a second electronic application for storing general value on the transaction card; and

a transaction application associated with at least said first electronic application for performing a value exchange, wherein said application-specific value and said general value are each exchangeable between each other in said transaction application; and

wherein said application-specific value and said general value are each compatible within said system for performing said financial transaction.

3. A system as recited in claim 1, further comprising:

at least one communication interface for transferring at least one of said application-specific value and said general value to or from said first electronic application and said second electronic application, respectively.

4. A system as recited in claim 3, wherein said at least one communication interface comprises a contactless interface.

5. A system as recited in claim 1, wherein said financial transaction utilizing said first electronic application is formatted for utilization with a settlement system associated with said second electronic application.

6. A system as recited in claim 1, wherein said financial transaction comprises a transfer of at least a portion of each of said application-specific value and said general value.

7. A system as recited in claim 1, wherein said financial transaction comprises a transfer of at least a portion of one of said application-specific value and said general value.

8. A system as recited in claim 1 embodied in a smart card comprising a memory for storing said first electronic application and said second electronic application.

9. A system as recited in claim 8, further comprising:

a transaction application associated with said first application for performing a value exchange associated with said financial transaction, wherein said application-specific value and said general value are each compatible with said transaction application, and wherein said transaction application is stored in said memory of said smart card.

10. A system as recited in claim 8, further comprising a first terminal for loading at least one of said first electronic application and said second electronic application onto said memory.

11. A system as recited in claim 8, further comprising a second terminal for adjusting the amount of at least one of said application-specific value and said general value based upon said financial transaction.

12. A system as recited in claim 11, further comprising:

a transaction application for performing a value exchange associated with said financial transaction, wherein said application-specific value and said general value

are each compatible with said transaction application, and wherein said transaction application is stored in said second terminal.

13. A system as recited in claim 1, further comprising:

an auto-load application for loading new application-specific value into said first electronic application.

14. A system as recited in claim 13, wherein said new application-specific value is exchanged from said general value.

15. A system as recited in claim 13, wherein said new application-specific value is exchanged for a debit to an account selected from the group consisting of a checking account, a savings account, a credit account, a debit account, and a loan account.

16. A system as recited in claim 1, further comprising:

an auto-load application for loading new general value into said second electronic application.

17. A system as recited in claim 16, wherein said new general value is exchanged for a debit to an account selected from the group consisting of a checking account, a savings account, a credit account, a debit account, and a loan account.

18. A smart card for performing a financial transaction, comprising:

a first application for storing application-specific value on said smart card;

a second application for storing general value on said smart card;

wherein said application-specific value and said general value are each compatible for performing said financial transaction; and

wherein said application-specific value and said general value are each exchangeable between each other.

19. A smart card as recited in claim 18, wherein said financial transaction utilizing said first application is formatted for utilization with a settlement system associated with said second application.

20. A smart card as recited in claim 18, wherein said financial transaction comprises a transfer of at least a portion of each of said application-specific value and said general value.

21. A smart card as recited in claim 18, further comprising:

at least one communication interface coupled with at least one of said first application and said second application for transferring at least one of said application-specific value and said general value.

22. A smart card as recited in claim 21, wherein said at least one communication interface comprises a contactless interface.

23. A smart card as recited in claim 18, further comprising:

a memory for storing said first application and said second application as software components.

24. A smart card as recited in claim 23, further comprising:

at least one communication interface coupled with at least one of said first application and said second application for transferring at least one of said application-specific value and said general value.

25. A method for performing a financial transaction with a smart card, comprising:

storing application-specific value in a first electronic application on said smart card;

storing general value in a second electronic application on said smart card;

performing a value exchange associated with the financial transaction, wherein the application-specific value and the general value are each exchangeable between each other in the financial transaction.

26. A method as recited in claim 25, further comprising exchanging at least a portion of one of the application-specific value and the general value to perform the transaction.

27. A method as recited in claim 25, further comprising exchanging at least a portion of both the application-specific value and the general value to perform the transaction.

28. A method as recited in claim 25, further comprising formatting the financial transaction performed with application-specific value for utilization with a settlement system associated with the second electronic application.

29. A method as recited in claim 25, further comprising transferring at least one of the application-specific value and the general value through a communication interface in communication with at least one of the first electronic application and the second electronic application.

30. A method as recited in claim 29, wherein the at least one communication interface comprises a contactless interface.

31. A method as recited in claim 25, wherein storing the application-specific value in the first electronic application comprises storing the application-specific value in a memory on said smart card.

32. A method as recited in claim 25, wherein storing the general value in the second electronic application comprises storing the general value in a memory on said smart card.

33. A method as recited in claim 25, wherein performing a value exchange comprises utilizing a transaction application to perform the financial transaction.

34. A method as recited in claim 33, wherein utilizing a transaction application comprises utilizing a transaction application stored in a memory on said smart card.

35. A method as recited in claim 33, wherein utilizing a transaction application comprises utilizing a transaction application stored in a transaction terminal.

36. A method as recited in claim 25, further comprising:

exchanging all of the application-specific value;

automatically loading new application-specific value; and

exchanging at least a portion of the new application-specific value to complete the financial transaction.

37. A method for performing a financial transaction for exchanging an amount of value between a smart card and a corresponding device, comprising:

providing application-specific value and general value on the smart card, where both the application-specific value and general value are compatible for use in performing the financial transaction and wherein the application-specific value and the general value are each exchangeable between each other; and

exchanging a transaction amount of value between the smart card and the corresponding device, where the transaction amount of value is at least a portion of one of the application-specific value and the general value.

38. A method as recited in claim 37, further comprising establishing a communication channel between the smart card and the corresponding device.

39. A method as recited in claim 38, wherein the communication channel comprises a network selected from the group consisting of a merchant point-of-sale network and the Internet.

40. A method as recited in claim 37, further comprising:

inquiring about the availability of a sufficient amount of application-specific value to perform the financial transaction; and

exchanging the sufficient amount of application-specific value if the sufficient amount exits.

41. A method as recited in claim 40, further comprising:

determining a deficient amount of value if the sufficient amount of application-specific value does not exist;

inquiring about the availability of the deficient amount of value in general value; and

exchanging the deficient amount of value in general value.

42. A method as recited in claim 41, further comprising converting the deficient amount of value in general value to a deficient amount of value in application-specific value.

43. A method as recited in claim 37, further comprising adding a predetermined amount of application-specific value to the smart card if a sufficient amount of the application-specific value does not exist.

44. A method as recited in claim 37, further comprising tracking the usage of said application-specific value and said general value associated with the financial transaction in order to determine a reward.

45. A system for performing a financial transaction, comprising:

a smart card having a memory for storing a first application having application-specific value and a second application having general value, wherein said application-specific value and said general value are compatible for performing said financial transaction and wherein said application-specific value and said general value are each exchangeable between each other and are secured by encryption on said smart card; and

a purchase device for removing value from said smart card, said purchase device comprising a first purchase key for use in removing application-specific value from said first application and a second purchase key for use in removing general value from said second application, wherein both said first and second purchase keys are security mechanism for accessing encrypted information, and wherein said purchase device is adapted for communication with said smart card to transfer at least one of said application-specific value and said general value in said financial transaction.

46. A system as recited in claim 45, wherein said first application generates a first set of transaction information, including said application-specific value, and said second application generates a second set of transaction information, including said general value, for use in said financial transaction, wherein said first set of transaction information is formatted for processing like said second set of transaction information.

47. A system as recited in claim 45, further comprising a funding source for receiving funds in exchange for transferring at least one of said application-specific value and said general value to said smart card.

48. A system as recited in claim 45, further comprising a settlement system for accounting for the flow of application-specific value and general value among said smart card and said purchase device in order to settle said financial transaction.

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Catherine A. Johnson

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